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Bureau of European Affairs

Memorandum

To : S - The Secretary
 Through : S/S
 From : EUR - Jacob D. Beam

October 20, 1956

Subject: German Military Buildup.

The replacement of Blank by Strauss as German Defense Minister has precipitated widespread speculation that the German Government may revise its plans for providing a defense force of 500,000 men in the form and on the schedule submitted to NATO in the 1955 Annual Review. This schedule envisaged a three-year buildup for the Army, and four years for the Navy and Air Force, beginning in 1956.

Our Embassy at Bonn was assured by Dr. Krone, CDU leader in the Bundestag, that the CDU is determined to abide by its commitment to raise 500,000 men. Other statements have been reported, attributed to the Chancellor and his immediate staff, which deny that a change in government policy in this regard has taken place.

The German 1956 Annual Review submission, however, disclosed financial plans which envisaged a slippage in equipment deliveries for the German buildup of one to two years. We have recently been informed that the German Government will shortly amend its submission to revise downward the interim manpower targets to approximately 80,000 instead of 96,000 by the end of 1956 and to between 175,000 and 200,000 instead of 270,000 by the end of 1957. This has been attributed to a shortage of accommodations.

Apart from the slippage in time which seems almost certain, there remains a question as to whether the Germans will in fact create forces of the order of magnitude envisaged by their present force goals. While the German Government continues to maintain formally its position that the buildup will be achieved, the fact that the initial increment of the buildup is limited to only part of the 12 division total means that they are not by reason of expenditures, as yet committed in fact to the full buildup.

The recent spate of newspaper speculation arising out of the Strauss appointment

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appointment reveals the extent of the sentiment against achievement of the German force goals which exists in Germany. Not only is there little enthusiasm for creating a military force, but a definite hostility to the idea by some segments of public opinion.

The factors militating against a full German buildup can be summarized as follows: (1) disillusionment over Germany's experience during the war; (2) lack of belief in an immediate Soviet threat, coupled with a fear that the creation of German forces and German membership in NATO constitute a bar to reunification; (3) questions as to whether the forces projected for the German buildup, which are the same as those envisaged in 1951, are really necessary in the light of the development of new weapons; (4) concern that the cost of the projected forces will impair the ability of the Federal Republic to carry out necessary social welfare programs; (5) difficulty of initiating a substantial draft during an election year.

The Strauss appointment of itself does not provide an answer to the question. In general, we must expect as a result of the atmosphere of an election year and of the attitude of Strauss, a more national-minded approach to German defense planning. Strauss is less wedded to the idea of adherence to NATO schedules than was Blank, which may result in additional slippage in meeting agreed goals. More important, he apparently is inclined to question the composition and numbers of the German forces under the agreed force goals, advocating emphasis on new weapons, in particular, atomic weapons, and apparently leaning to 300,000 rather than 500,000 men. He may be expected to be more independent of the Chancellor than Blank was in the conduct of his Ministry, as he was in atomic affairs and also probably more effective. However, it is probably too early to forecast how his views will develop once he has fully assumed the responsibilities of his new office. It is reported that the Chancellor has received Strauss' written assurance that he will carry out the Chancellor's policy of a 500,000 man army. The next six months may disclose the trend of German planning from statements which they may make to NATO, from the pattern of their equipment purchases, and from the way in which they handle the training of men brought into the forces.

The form of the German defense contribution is of primary importance to the future course of NATO and to the defensive posture of the Western Powers; but it is clear that in Germany this question is increasingly becoming involved with domestic political issues. Even though the election will not be held until September 1957, the campaign is already under way and is dominating all other considerations. We have been active in urging the German Government to fulfill its original buildup plans and we should continue to exert our influence in NATO and elsewhere as appropriate to this end.

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The political situation in Germany requires that our pressures be applied with appropriate caution and restraint in order to avoid a reaction that might prove counter productive and to the end that progress in the defense buildup continue to carry us beyond the difficult period of the election.

Concurrence:

[Signature]
RA - Mr. Timmons

G- Mr. Murphy
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cc: Mr. MacArthur

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